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Dao is Using Their Idle Financial Funds to Obtain Additional Sources of Income

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As enterprises increasingly move away from the centralized and profit oriented model, Dao will replace them. Simon Furlong, co-founder of geode finance, said that with the development of Dao, their capital will also increase.

The birth of Web 1.0 gave birth to digital content and point-to-point communication. Web 1.0 was largely non-commercial in its early days. Then there is Web 2.0, which promotes greater communication and collaboration. Companies like Amazon, Facebook and Google have stepped in to provide the infrastructure and platforms needed to support a growing user base.

Now, we are in the early stage of Web 3.0. Encrypted assets and Decentralized Finance ([DeFi](#)) protocol are providing the cornerstone of a new Internet - an Internet based on value rather than information. Similar to the early days of Web 1.0, the early days of cryptocurrency were dominated by individual investors and amateurs. The involvement of centralized exchanges such as Mt. GOx, coinbase and bitstamp provides much-needed infrastructure for a growing ecosystem. At that time, the use of [cryptocurrency](#) was mainly limited to speculation and trading.

Breakthrough of Ethereum

But then there was a breakthrough. In 2013, vitalik buterin proPoSed [Ethereum](#), paving the way for a new class of decentralized applications (dApps). These dApps implement a wide range of valuable use cases, such as borrowing, lending, and so on.

Similar to the Web 2.0 revolution, with the development and maturity of the Web 3.0 ecosystem, retail and institutional investors have invested more and more money in the DeFi protocol. This growth and maturity of cryptocurrency and DeFi markets has created B2B opportunities that have not been PoSsible in the past few years.

There are countless companies, decentralized autonomous organizations (DAO) and revenue generating agreements that support and provide valuable services to users. Unlike in the past few years, many of these "users" are now other companies or Daos, not just individual retail participants.

As companies and Daos seek tools and resources to support their business, the demand for B2B service providers in Web3 is surging. For example, [Aragon](#) provides applications and templates to help Dao start and run. Gnosis safe provides a multi signature solution for Dao asset management. Geode finance enables Dao to increase revenue by providing white label liquid mortgage products.



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Dao and Their Treasury

Dao is essentially a Web3 native company. Like traditional companies, they have warehouses to maintain and grow. They need solutions that enable them to generate revenue and benefit from idle warehouse assets. That's what DeFi does.

For most Daos living on the proof of interest (PoS) chain, liquid betting provides an interesting option to generate revenue from idle Treasury assets. As part of the growing growth of DeFi, liquid betting allows users to authenticate the PoS network to earn passive bet returns without having to sacrifice other opportunities in DeFi to obtain the same liquidity. Retail users therefore like liquid bets, but so do Daos who sit in a treasury full of basic assets and don't earn any income. However, who is being attracted to DeFi, just like moths to the fire, and the demand for these services is increasing?

DeFi is Attracting Businesses

By DeFinition, enterprises are risk averse. They are for sustainable development, which means they are unlikely to take risks on unproven technology. As more and more enterprises go into the financial center, we will see more and more financial centers.

This trend is driven by the growing number of powerful, battle tested protocols and tools in the DeFi ecosystem. These agreements and tools enable enterprises to do things that were imPoSsible before.

As reported by PwC, nearly half of traditional hedge fund managers are considering investing in cryptocurrencies. HSBC, JPMorgan Chase, Citigroup, Mitsubishi UFJ Financial Group, Barclays, UBS, Goldman Sachs, Commerzbank of Germany, Bank of New York Mellon, signature bank and SBI holding company are all pursuing blockchain related projects - big guys are beginning to pay attention to DeFi.

At the same time, institutional investors are using platforms customized for them, such as AAVE pro and alkemi. These platforms provide functions such as compliance and KYC'd pools, making it easier for enterprises to participate in DeFi without worrying about regulatory obstacles.



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Dao Promotes B2B Adoption of DeFi

As Dao progresses and matures, their stakeholders pay more and more attention to achieving their goals, whether financial or otherwise. This has led to the development boom of B2B solutions specially designed to meet the needs of Dao, which is evidence of the development and maturity of DeFi. B2B tools enable Daos to obtain additional products and services that they cannot create themselves, either because they do not have the ability or because they lack time and resources.

One of the most important benefits of these B2B solutions is that they allow Daos to provide more complex products and services to their users. This in turn increases their potential impact and longevity, as users are more likely to stick with it if they feel they have gained value from the Dao.

In particular, the DeFi solution has always been the gospel of Dao. We have seen a strong spirit of cooperation in the field of DeFi, which provides a lot of value. For example, oracles and indexers such as chainlink and the graph are helping Dao obtain accurate data, while white label liquid mortgage agreements such as geode finance are providing new revenue generating products for Dao users. Through geode, Dao can earn interest from digital assets in its warehouse and expand its revenue source through bet fees.

In addition, liquidity provision and market maker services are helping Dao to list its tokens on more exchanges and attract more users. Finally, investment companies are providing Dao with the funds they need to grow and expand. All of these B2B solutions help promote the adoption of def by Dao. As more and more Daos adopt DeFi, we can expect to see more innovation and growth in this field.

And Future Dao

Traditional companies are based on a hierarchical model optimized for efficiency and growth. But this model is no longer suitable in today's world. We now live in a world where information flows at the speed of light, and technology is changing at an unprecedented speed.

As enterprises move away from the centralized and profit oriented model, Dao is ready to continue to develop. With its decentralized governance structure, Dao unifies the interests of all stakeholders - from employees and customers to investors and ecosystem partners.

With the development of Dao, their finances will also grow, and additional sources of income need to be created. This is only part of the reason why instrumentalization has become an important growth area when Dao seeks B2B services. The demand for solutions that allow Daos and their members to benefit from idle assets will increase. Therefore, Dao is in a unique PoSition to take advantage of the Web3 revolution with the help of mobile betting protocol and other key infrastructure.

It's only a matter of time before Dao completely subverts the status quo. From sales and marketing to virtual land and legal services, Dao is slowly but surely taking over the traditional business model. Dao focused tools and infrastructure providers are and will continue to be major contributors to this transformation, and will only become more apparent in the coming years.